

March 6, 2000

**INFORMATIVE BULLETIN NO. 2000-03**

**ATTENTION: 936 CORPORATIONS**

During a meeting held on February 17, 2000, representatives of various 936 corporations expressed their concern and the reasons why the deduction allowed under Informative Bulletin 99-08 (IB 99-08) should be revised. To properly and responsibly evaluate their petition, specific information was requested from them to verify the impact of this deduction on the projected revenues of the Government of Puerto Rico. In order to keep practitioners and interested corporations informed, this Department issued Informative Bulletin No. 2000-02 (IB 00-02), indicating that we were analyzing the arguments posed by the 936 corporations as to the effect that IB 99-08 would have on their operations and advising that the due date for filing the closing agreement under a revised Informative Bulletin would be no earlier than May 1, 2000. We also indicated that we expected to issue the revised bulletin by March 6, 2000.

After many efforts to gather the necessary data, the information obtained from the 936 corporations' representatives has not been sufficient to allow us to issue a revised bulletin as of today. Because of the lack of adequate information, we are not in a position to revise the limitations established in IB 99-08, inasmuch as the information gathered has not been sufficient to prove that increasing the amount of the allowable limitation will not have a significant detrimental impact on government revenues.

To enable us to make a final determination in this regard, this Department urges every 936 corporation to submit the following information:

1. Name of the 936 corporation.
2. Tax Identification number.
3. Amount of federal income taxes paid or accrued attributable to Puerto Rico source active trade or business income, for each taxable year from 1995 through 1998.
4. Whether a deduction was claimed for such federal income taxes in the Puerto Rico corporation income tax return for each taxable year from 1995 through 1998.

INFORMATIVE BULLETIN NO. 2000-03  
March 6, 2000  
Page 2

The above information must be submitted not later than March 24, 2000. Please note, however, that as indicated in IB 00-02, the date to submit the draft of the closing agreement shall not be earlier than May 1, 2000.

**Remember, Hacienda is at your service.**

Xenia Vélez Silva

IB-00-03